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GOVERNOR

STATE OF MICHIGAN
MICHIGAN DEPARTMENT OF CAREER DEVELOPMENT
LANSING

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E-mailed 06/18/02

Michigan Department of Career Development (MDCD)
Career Education Programs
Michigan Department of Treasury (Treasury)
Bureau of Student Financial Assistance
Office of Information and Resources

GEAR UP
Policy Issuance No. 01-02
Index: II

Date: June 18, 2002

To: GEAR UP Partner Directors:
Detroit Public Schools,
Muskegon Public Schools,
Flint Community Schools / Central Michigan University

Subject: GEAR UP (GAINING EARLY AWARENESS & READINESS FOR
UNDERGRADUATE PROGRAMS)
GEAR UP Michigan! Scholarships

**Programs
Affected:** GEAR UP Programs funded by the Higher Education Act

Rescissions: None

Background: Enacted in 1998, GEAR UP was signed into law as part of the Higher Education Amendments of 1998 (Public Law 105-244). *The mission of GEAR UP is to significantly increase the number of low-income students who are prepared to enter and succeed in post-secondary education. Scholarships are required for GEAR UP State grants.*

GEAR UP Michigan!: Reaching the Urban Centers, targets three urban Public School Systems: Detroit, Muskegon, and Flint. The amount of scholarship funds available to each district for the five year grant period (detailed in PI 01-01), are as follows:

Detroit Public Schools	\$3,851,895.70
Flint Community Schools	\$2,050,202.55
Muskegon Public Schools	\$310,636.75
Total scholarship funds available	\$6,212, 735.00

Policy: The Michigan Department of Career Development (MDCD) and the Michigan Department of Treasury (Treasury) will coordinate the scholarships to be known as the GEAR UP Michigan! Scholarship. MDCD has overall administrative responsibility for the GEAR UP program and coordinates school and student

participation during the K-12 phase. Treasury will administer, track, disburse, and make payment to colleges on behalf of those students designated by their local GEAR UP program to receive awards.

The approximate conclusion of each participating GEAR UP schools academic year shall serve as the milestone to draw down scholarship funds from the U. S. Department of Education by MDCE. These scholarship funds will be transferred to Treasury for deposit into a trust or other account allowable by law for future use by GEAR UP students.

The minimum requirements for State GEAR UP grant scholarships are specified in law. The GEAR UP Michigan! Scholarship eligibility criteria are detailed in Attachment I of this policy issuance. Maximum award amounts, awarding guidelines, and disbursement procedures are provided under Attachments II and III respectively.

Local School Districts (or designees) targeted for GEAR UP services within the federal grant application serve as Fiscal Agents for this program. Fiscal Agents are responsible for local program operation and administration. Fiscal Agents shall develop and submit local GEAR UP Scholarship plans. Fiscal Agents will have latitude in the design of GEAR UP local scholarship programs.

Fiscal Agents are expected to form and participate in local scholarship committees that will determine local eligibility criteria for the GEAR UP Michigan! Scholarships. The attached required scholarship design elements shall be incorporated into local plans. The first scholarships will be awarded for the 2007-2008 academic year.

Scholarship funds are extremely **limited**. Priority should be given to students who have truly excelled in GEAR UP participation and their academic performance. Schools should advise students to participate in the GEAR UP activities because it is a good thing to do for their future. All students in the cohort, who meet the state and local eligibility criteria **“may”** be eligible for an award. It is up to the local scholarship committee to select the students who **“may”** receive an award. The number of students selected per school is based on funding levels at the time awards are made and the established award criteria.

Action: **GEAR UP Fiscal Agent officials shall prepare and submit a local scholarship plan that includes the details set forth in this policy to MDCE no later than October 15, 2002.** The plan shall include the names of the scholarship committee members and a narrative that describes the local eligibility criteria and the process for rank ordering the list of students for award consideration.

The scholarship committee will rank order students, based on locally determined criteria, who qualify for an award and may receive a scholarship. A minimum of 50 students must be included in the rank order list. Student selections must be made in the fall of the GEAR UP cohort’s senior year and forwarded to MDCE and Treasury by December 31 of that year. Treasury will notify the students chosen college of their eligibility prior to the college enrollment period. Local plans must ensure that students from multiple cohort classes are included equally in the receipt of awards and provide a rank order list of students from each class.

The number of students to receive an award, per school, is based on a number of factors including the amount of GEAR UP Scholarship dollars available, Pell grant amounts, other scholarships awarded students who may qualify, and actual college costs. Treasury will award scholarship funds to the college the student attends, following the rank order list(s) provided by each site, each academic year, up to that sites maximum annual scholarship funding.

Local plans must include a signature page (attachment IV) stating the Fiscal Agent agrees to adhere to the parameters of this policy and the local plan until all scholarship awards are made. The local Workforce Development Board's Educational Advisory Group (EAG) must be represented on this committee and the local EAG chair must sign and concur with the local plan. The Michigan Department of Career Development in cooperation with the Michigan Department of Treasury must approve local scholarship plans.

Plans are required to be submitted by means of the Internet E-mail system to beamishm@michigan.gov. Two hard copies of pages requiring original signatures (attachment IV) must also be submitted within 60 days to:

Mr. Michael Beamish, GEAR UP Project Director
Executive Office
Michigan Department of Career Development
Victor Office Center, 7th Floor
201 North Washington Square
Lansing, Michigan 48913

Inquiries: Questions regarding this policy issuance should be directed to Michael Beamish at 517-241-6806 or beamishm@michigan.gov and/or:

Anne Wohlfert, Director, Office of Information and Resources, Bureau of Student Financial Assistance, Michigan Department of Treasury at 517-373-0457.

In accordance with the Americans with Disabilities Act, the information contained in this policy issuance will be made available in alternative format (large type, audio type, etc.) upon request to this office.

Expiration

Date: None

(SIGNED)

John L. Williams
Deputy Director
Career Education Programs

Mike Boulus
Deputy Treasurer
Michigan Department of Treasury
Attachment(s)

ATTACHMENT I

GEAR UP MICHIGAN! SCHOLARSHIPS

ELIGIBILITY CRITERIA

An eligible student must:

1. Be less than 22 years of age at the time of the first scholarship award. Treasury will verify this in cooperation with participating colleges.
2. Have received a high school diploma or GED. Treasury will verify this in cooperation with participating colleges.
3. Be enrolled at least half time in a Michigan degree granting public or non-public college, including Focus Hope, approved by the Michigan State Board of Education and eligible for listing in the publication entitled "Directory of Michigan Institutions of Higher Education" and participate in federal campus-based programs. Treasury will verify this in cooperation with participating colleges.
4. Must be a U.S. citizen, U.S. national (includes natives of American Samoa or Swain's Island) or a U.S. permanent resident who has an I-151, I-551, or I-551C (Alien Registration Receipt Card). OR: hold an Arrival-Departure Record (I-94) from the U.S. Immigration and Naturalization Service (INS) showing one of the following designations in order to be eligible: "Refugee"; "Asylum Granted"; "Indefinite Parole" and/or "Humanitarian Parole"; "Cuban-Haitian Entrant, Status Pending" or "Conditional Entrant" (valid only if issued before April 1, 1980). Treasury will verify this in cooperation with participating colleges.
5. Must be a Michigan resident for the 12 months before the beginning of the award period. Must not be considered a resident of any other state. Treasury will verify this in cooperation with participating colleges.
6. Must be Pell eligible. Treasury will verify this in cooperation with participating colleges.
7. Must have successfully participated in the GEAR UP Michigan! Reaching the Urban Centers interventions as determined by their local school. The participating GEAR UP local school district site will verify this before placing an individual on the award list.
8. Must meet the criteria established by their local schools scholarship committee. This will be verified and documented by the participating GEAR UP local school district site before placing an individual on the award list.
9. Incarcerated students are not eligible for award consideration. This includes persons assigned full time or part time to correctional facilities, community correction centers residential homes, halfway houses, or under home detention. Those on electronic monitors are likewise ineligible. Participating GEAR UP local school district sites will verify this at time of award and by colleges at award continuation.

ATTACHMENT II
GEAR UP MICHIGAN! SCHOLARSHIPS
AWARD AMOUNTS

Michigan Department of Treasury will determine and administer the following:

Award Amounts:

The maximum amount of a GEAR UP Michigan! Scholarship **must not** be less than the lesser of:

- A. 75% of the average cost of attendance for an in-state student, in a four-year program of instruction, at public institutions in their state; or
- B. The maximum Federal Pell grant award funded for that fiscal year.

A student's actual award amount may differ each year due to changes in college costs, Pell grant amounts, and other factors.

Continuation Scholarships:

Students must utilize their maximum award status within five years after the date of High School graduation. Continuation scholarships will be awarded to each student who received an initial scholarship and who continues to be eligible for a scholarship in successive years up to a maximum of four years. A student's actual continuation award amount may differ each year due to changes in college costs, Pell grant amounts, and other factors.

To maintain eligibility for the scholarships, students must maintain Michigan residency and they must maintain Satisfactory Academic Progress (SAP) as determined by the institutional policy of the college they are attending.

ATTACHMENT III

GEAR UP MICHIGAN! SCHOLARSHIPS

AWARDING GUIDELINES AND DISBURSEMENT PROCEDURES

Michigan Department of Treasury will determine and administer the following:

Award Guidelines:

GEAR UP Michigan! Scholarships may not be considered for the purpose of awarding Federal grant assistance under Title IV of the HEA, and in no case may the total amount of financial assistance awarded to an eligible student exceed such student's total cost of attendance. A GEAR UP Michigan! Scholarship may be used to replace the estimated family contribution allowing the family not to have to borrow to cover that cost.

If a student who is awarded a GEAR UP Michigan! Scholarship attends an institution on a less than full time basis during any academic year, then the scholarship may be reduced proportionately. Such reduction cannot be greater than the percentage reduction in tuition and fees charged to that student as a result of attending part-time.

Order of Scholarships:

The Federal Pell Grant must be awarded first, other public and private grants, scholarships, or tuition discounts second, the GEAR UP Michigan! Scholarship third and then other financial assistance.

Disbursement Procedures:

Each of the participating GEAR UP school districts (Detroit, Flint and Muskegon) will provide MDCT and Treasury with a rank order list of the top 50 students whom they selected from the cohort of students in their district. The list must include the students' name and address, date of birth, social security number, college choice, local school district and date of graduation.

The student selections for the rank order list must be made in the fall of the student's senior year and forwarded to MDCT and Treasury by December 31 of that year. Treasury will notify the students chosen college of their eligibility prior to the enrollment period.

The college a student attends may submit a request for reimbursement for the amount of GEAR UP Michigan! Scholarship that was awarded only AFTER the schools final drop and add period*. In no instances will GEAR UP Michigan! Scholarship funds be directly paid to a student.

The Department of Treasury will submit a report of awardees, their amounts, and their institutions to the local district GEAR UP official contact person, by December 31 of each year.

** College financial aid personnel should refer to the GEAR UP Michigan! Scholarships Procedures Manual for more detailed information.*

ATTACHMENT IV

GEAR UP MICHIGAN! SCHOLARSHIPS

SIGNATURE PAGE

This page must be returned with original signatures to MDCCD along with a local scholarship plan that includes the details set forth in this policy no later than October 15, 2002. The plan shall include the names of the scholarship committee members and a narrative that describes the local eligibility criteria and the process for rank ordering the list of students for award consideration.

AGREEMENT

The undersigned GEAR UP Fiscal Agent agrees to adhere to and carryout the duties and functions as set forth in the Michigan Department of Career Development (MDCCD), Career Education Programs and Michigan Department of Treasury (Treasury), Bureau of Student Financial Assistance, Office of Information and Resources, GEAR UP Policy Issuance No. 01-02, Index: II and any subsequent changes and the attached local plan (as approved by MDCCD in cooperation with Treasury) until all scholarship awards are made.

GEAR UP Fiscal Agent Authorized Signature

Date _____

Name and Title (printed)

By signing below the local Workforce Development Board's Educational Advisory Group (EAG) chair concurs with the local GEAR UP scholarship plan.

EAG Chair Signature

Date _____

Name and Title (printed)